

REPORT

DATE: March 1, 2007

TO: Regional Council
Administration Committee

FROM: Wayne Moore, CFO, 213-236-1804, moore@scag.ca.gov

SUBJECT: RESOLUTION No. 07-485-1 FOR FACSIMILE SIGNATURE PROCESSING

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Adopt Resolution 07-485-1 for Facsimile Signature Processing By Bank Of The West.

BACKGROUND:

Currently, all checks are signed manually by the Deputy Executive Director (DED) and the Chief Financial Officer (CFO). The Finance department recently acquired a check-signing machine as an efficiency and productivity measure. Bank of the West requires SCAG' governing body to adopt this resolution in order to honor checks bearing facsimile signatures. The Finance department has developed procedures, with internal controls, for the mechanical check-signing process and is ready to implement them.

FISCAL IMPACT:

Funds for the purchase of the check-signing machine were included in the FY07 budget.

Reviewed by:



Division Manager

Reviewed by:



Chief Financial Officer

**RESOLUTION #07-485-1 OF THE SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
REGARDING FACSIMILE SIGNATURES**

WHEREAS, the Southern California Association of Governments (SCAG) is a Joint Powers Agency, established pursuant to Cal. Gov. Code Section 6502 et seq.;

WHEREAS, SCAG seeks to authorize the Bank of the West to pay certain checks and orders for payment from SCAG's account signed with a facsimile signature;

WHEREAS, SCAG will put in place internal controls to ensure the facsimile signature process is secure; and

WHEREAS, the Bank of the West has requested that SCAG sign a Facsimile Signature Agreement, and to adopt this Resolution in order to honor checks drawn by SCAG with a facsimile signature.

NOW, THEREFORE, BE IT RESOLVED by the Regional Council of the Southern California Association of Governments:

1. That the SCAG Executive Director or his designee is authorized to execute on behalf of SCAG the Facsimile Signature Agreement ("Agreement") with Bank of the West;
2. That Bank of the West is a designated depository of SCAG and it (including its correspondent banks) is hereby requested, authorized and directed to honor all checks, drafts or other orders for the payment of money drawn in SCAG's name on its checking account number provided in the Agreement (including those drawn to the individual order of any person or persons whose names appear thereon as signer or signers thereof) when bearing or purporting to bear the facsimile signature(s) provided in the Agreement;
3. That Bank of the West shall be entitled to honor and to charge SCAG for all such checks, drafts or other orders for the payment of money, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signature or signatures resemble the facsimile specimens from time to time filed with Bank of the West by the Secretary or other officer of SCAG;

AND BE IT FURTHER RESOLVED:

1. That SCAG hereby agrees to indemnify and hold Bank of the West harmless from and against any and all losses, claims, liability, demands and expenses, including attorney's fees, incurred or arising in connection with payment by Bank of the West in accordance with this resolution; and
2. That all previous authorizations for the signing and honoring of checks, drafts, or other orders for the payment of money drawn on said Bank of the

West by this corporation are hereby continued in full force and effect as amplified hereby. This resolution is in effect until the resolution is no longer binding.

APPROVED AND ADOPTED by the unanimous vote of the Regional Council of the Southern California Association of Governments at a regular meeting this 1st day of March 2007.

YVONNE B. BURKE
President
Supervisor, County of Los Angeles

Mark Pisano
Executive Director

Joanna Africa
Director of Legal Services